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Second country cooperation framework for Rwanda (2002-2006)

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Introduction

1. The second country cooperation framework (CCF) for Rwanda is to last for five years from 2002 to 2006 inclusive. It follows a one calendar year extension of the first CCF (until end-2001), approved in January 2001 by the Executive Board. This extension provided the following advantages: (a) the second CCF can be based on the national development priorities as developed in the Government's one year Interim Poverty Reduction Strategy Paper (I-PRSP) and draft final PRSP, which were available in November 2000 and September 2001, respectively; (b) the duration of the second CCF coincides with the period of the 2002-2006 United Nations Development Assistance Framework (UNDAF); (c) the second CCF will end at the same time as the programmes of other major United Nations system agencies in Rwanda and make possible the complete harmonization of United Nations programming cycles from 2007 onwards; (d) the 2002 starting date will coincide with the changing character and likely diminution in relative importance of the UNDP Trust Fund for Rwanda during 2001. The Trust Fund has provided cost sharing amounting to $82.3 million in the period 1998-2001 compared to the UNDP core funding of $33.0 million available during those years. It had an essentially emergency focus – and therefore supported relatively scattered interventions – reflecting government priorities and donor concerns in the period after the 1994 genocide in Rwanda.

2. The 1994 genocide, a dramatic and traumatic event for humanity, has been the subject of numerous books and studies in recent years.[1] Rwanda's society (and economy) will be dealing with the consequences of the genocide for decades to come, which is taken into account in the present CCF.

3. This second CCF responds to the recent positive evolution in Rwanda and has a greater focus on development than on emergency cooperation. In these circumstances, it also serves as a framework for new development-focused resource mobilization and seed money initiatives. Its formulation involved consultation with national authorities, the United Nations system, donors and civil society organizations (CSOs) and took cognizance of the conclusions of the CCF review.

[1] The circumstances surrounding the 1994 genocide in Rwanda were treated in the report of the Independent Inquiry into the actions of the United Nations during the 1994 genocide in Rwanda (S/1999/1257) of December 1999 (the Carlsson Report), and the report of May 2000 to the OAU of the International Panel of Eminent Personalities to Investigate the 1994 Genocide in Rwanda and the Surrounding Events: "Rwanda – the Preventable Genocide" (the Masire Report).

I. Development situation from a sustainable human development perspective

4. With a population of some 8.1 million and population density of 305 people per square kilometre (9 people per hectare of arable land), Rwanda is one of the most densely populated countries in Africa and has an unusually hilly topography (it is known as "the land of a thousand hills"). Rwanda is 152nd of 162 countries in the 2001 Human Development Index, and its annual gross domestic product (GDP) per capita is approximately $250 ($885 at purchasing-power parity); about 60 per cent of Rwandan households live below the poverty threshold. The population growth rate is estimated at 2.9 per cent per annum. Life expectancy at birth is 49 years, but declining. The literacy rate is just below 50 per cent. Infant mortality (per 1,000 live births) is 131 compared to the sub-Saharan average of 107.

5. Since 1959, Rwanda has suffered a series of ethnically based killings and massacres, which culminated in the genocide of 1994, when some 800,000 people were killed in the space of three months, the most rapidly executed genocide in recorded history.

6. Much of the physical and social infrastructure has still to be rehabilitated or replaced, and in many sectors, professionals and other trained people are in critically short supply, as these groups constituted a disproportionate percentage of the genocide victims. About one third of the population was killed or displaced in 1994 and a large proportion of the housing stock was destroyed. Access to adequate shelter, and to land, remains one of Rwanda's most critical issues. Women now account for 54 per cent of the population, and women head 34 per cent of all households. Orphans are estimated to represent 26 per cent of the under-14 age group, and it is thought that children head some 13 per cent of households.

HIV/AIDS prevalence has risen from relatively low levels in the early 1990s, and – influenced by rape during the genocide and other social consequences of that national trauma – is now approaching 13.7 per cent in the 15-49 age bracket (the sub-Saharan average is 8.7per cent).

7. Real GDP declined by about 50 per cent in 1994, but with the aid of considerable emergency assistance, in the following five years it recovered to the pre-genocide level. The growth rate in 1999 and 2000 has been estimated at 5.9 per cent per year and the PRSP projects an even higher rate in future years, which will present a considerable challenge, and to which end, the Government convened a Donor Consultation in mid-November 2001.

8. With a foreign debt equivalent to about 65 per cent of GDP, Rwanda's debt level and debt service obligations are unsustainably high. However, as of December 2000 Rwanda passed its Decision Point to become a beneficiary of debt relief under the Enhanced Highly Indebted Poor Countries (E-HIPC) initiative. This process is expected to become firm with World Bank/IMF endorsement of the Completion Point in December 2002 after a year of PRSP implementation, which will begin in December 2001. The foreign exchange savings are expected to amount to 1.5 per cent of GDP, or about 40 per cent of what is currently spent on the social sectors. This debt relief will put the country's external finances on a more sustainable footing, and is expected to make available additional domestic resources for priority anti-poverty activities as defined in the National Poverty Reduction Programme (linked to the PRSP). Rwanda's development cooperation partners also appear ready to buy into vigourous and coherent national programmes to reduce poverty.

9. Food security in Rwanda is precarious, and there are few unexploited areas of arable land. The use of modern agricultural inputs is extremely limited and soil fertility is low; also, land is being further degraded as farmers seek to cultivate steeper and steeper slopes. In recent years pockets of drought have created famine conditions in some areas. Enhanced food security will require more sustainable agricultural practices, increased use of terracing, and proper drainage and exploitation of the valley bottoms (marshlands).

10. Health and education services, which were weak before 1994, experienced dramatic deterioration during the genocide. For example, about half of the country's 19,000 teachers were killed in the genocide, and approximately a third of the primary school installations were destroyed. The health status of the population has been increasingly affected by the rising levels of poverty since the late 1980s as well as the limited access to primary health care and to potable water.

II. Recent progress

11. The genocide did incalculable damage to the institutions of governance at all levels. The Government of National Unity, set up in 1994 after the end of the genocide, is committed to promoting national reconciliation, good governance (including human rights) and poverty alleviation, daunting but absolutely essential tasks for the people's well-being and for recovery from the genocide. It is now important to move towards deepening the legitimacy of political institutions and leaders, which will evolve with the adoption of a new Constitution in 2003, followed by national elections. (In 2000 and 2001 elections were held at local levels). A new Constitution, and national parliamentary and presidential elections, will bring to an end the period of political transition since 1994. At the same time, the Government has initiated an ambitious programme of civil service reform and decentralization, which can concurrently promote reconciliation, help to establish the legitimacy of political institutions, improve the management of the economy, and promote empowerment and participation at the grass-roots level – the latter a major but essential change in the socio-political culture of a country which has for a very long time been characterized by unaccountable hierarchical power, exercised with impunity, and popular obedience.

12. Over 100,000 genocide suspects remain in detention (excluding those organizers of the genocide arraigned before the International Criminal Tribunal for Rwanda (ICTR). The authorities are setting up a system of *gacaca* courts (adapted from Rwanda's traditional justice system), which will aim to render decisions in these cases based on traditional procedures. Pilot *gacaca* exercises have resulted in an acquittal rate of about one third, and many of those

guilty of lower-level involvement (simple executants of genocide killings) may serve the remainder (if any) of their sentences in community public works service, which will both relieve the Government of a large part of the burden of supporting the prison population and also promote reconciliation. The Government is also continuing the demobilization and reintegration of soldiers from the Rwandan Patriotic Army (RPA), and is extending this to returning Rwandan ex-rebels from the Democratic Republic of the Congo as progress is made under the Lusaka Cease-fire Agreement for the Democratic Republic of the Congo. A single national civilian police force has been created to replace the earlier gendarmerie and the separate communal police.

13. Other mechanisms for promoting good governance that have already been established include the following: (a) the independent Human Rights Commission; (b) the National Unity and Reconciliation Commission; (c) the Commission for Legal and Constitutional Affairs; and (d) the Office of the Auditor General.

14. While macro-economic stability and adequate growth have been maintained in recent years and economic reforms are being implemented, significant poverty reduction will be impossible without high pro-poor economic growth sustained over a period of years. Even though the emergency period is drawing to an end, the Government is trying to find a balance between important short-term considerations, such as the continuing and pressing need for rehabilitation of the people as well as essential infrastructures, and socio-political national reconciliation on the one hand, and the longer-term need to begin to implement coherent development and poverty-reduction strategies on the other. The present CCF is cognizant of this duality, and UNDP will continue to help with the former while moving towards an emphasis on the latter.

III. Results and lessons of past cooperation

15. Under the first CCF (1998-2000, extended through 2001, for a total of four years), UNDP resources were largely allocated to two thematic areas: (a) capacity-building for good governance; and (b) reintegration and rehabilitation for sustainable human development and poverty alleviation. Core funding accounted for 29 per cent of the implementation of the overall programme while external resources mobilized through cost sharing and the Trust Fund modality provided for the remaining 71 per cent. The review of the first CCF took place from July to September 2001 and its conclusions provide the basis for the following observations.

16. At the 1999 Government-Donor Consultation in London, UNDP was requested to play a greater role in donor coordination, and since then it has successfully contributed to enhancing collaboration between donors and the Government, as well as within the United Nations system. This trend will be maintained and strengthened during the second CCF period.

17. The UNDP programme has contributed significantly to strengthening the Government's capacity for strategic planning, to re-establishing a government statistics capacity, to creating a new institution for aid management and coordination (CEPEX) and to the establishment of a Poverty Observatory. This combination of institution building and direct support has also helped the Government to conclude successful negotiations with the Bretton Woods Institutions for an Expanded Structural Adjustment Facility (ESAF) and for debt relief under the E-HIPC initiative.

18. In the sphere of strengthening the security and judicial systems, the UNDP programme has evolved with the Government's own policies and gone beyond what was foreseen in the first CCF. In particular, UNDP is supporting both Parliament and the three Commissions created in 2000-2001: (a) for Human Rights, (b) for National Unity and Reconciliation and (c) for Legal and Constitutional Affairs, which are all seen as crucial for promoting durable political and thus socio-economic stability. UNDP has also taken an important initiative in supporting the Conflict Management Centre at the National University of Rwanda, which (the Government emphasized) would not have been able to start without the readiness of UNDP to provide direct administrative support in its initial phase. It is now gaining an increasingly international reputation and attracting finance from other donors and foundations.

19. UNDP has been making an important contribution to the reform of the public service and to the process of decentralization. A new project is being launched for the Rwanda Institute of Administrative Management, which is a key to the public service reform. The Government's decentralization initiative is also important both for national reconciliation and for bringing development to the grass roots. UNDP is supporting the Government's coordinating body, the Decentralization Management Unit, in policy formulation and implementation, and its activities are well coordinated with its other programmes for resettlement of displaced persons.

20. The overall strategic objectives of the first CCF (and its one-year extension) had remained valid and were appropriately reflected in the two thematic areas. However, experience has shown that during the first CCF period, the emergency phase in Rwanda had not been completely terminated. This has had two major results. Firstly, while the overall programme followed the main lines of the first CCF, considerable modifications have been required at the level of the different sub-programmes in order to adapt to changing circumstances. These have been occasioned mainly by the progressive evolution of the Government's policies and strategies. Secondly, while many major UNDP Trust Fund-financed activities did fall within the framework of the CCF (e.g., civil service reform and decentralization), the Trust Fund also retained its emergency character, and in fact still provides funding for certain initiatives that had not been identified in the CCF but were proposed by bilateral donors (e.g., prison construction).

21. As of mid-2001, however, the situation in Rwanda had evolved significantly beyond the emergency phase. However, it is important to maintain continuity between the two aspects of the programme and flexibility in programming instruments.

22. As regards execution modalities, difficulties were experienced with Direct Execution (DEX), and it is now appropriate to emphasize the transition towards National Execution (NEX). This transition should, however, be accompanied by clearly defined capacity-building initiatives to ensure that Rwandan institutions will be able undertake NEX more effectively. At the same time, it is recommended that on balance UNDP interventions in the second CCF should move further upstream, and that UNDP support should always be seen to provide clearly identifiable value added, drawing on the special role and competencies of UNDP. Review and evaluation were weak during the first CCF and the Government strongly supports the holding of regular annual and other reviews. These are necessary both for accountability and to ensure the programming flexibility that is essential in a post-conflict country such as Rwanda

23. In the emergency phase, UNDP undertook direct support (including salary supplements) in several projects. While this might have been justified for a limited period in an emergency situation, it is clearly not a sustainable practice and should be terminated in the second CCF. UNDP Rwanda should greatly reduce its relatively high level of involvement in diverse operational activities, characteristic of the first CCF (for understandable reasons), where its track record has at times been only moderate.

24. With regard to the Trust Fund, its contributions to emergency-type operations should be gradually and intelligently phased out. The Trust Fund's mechanism, however, should be retained for resource mobilization within the framework of the priorities elaborated in the second CCF. It could be renamed the UNDP Development Fund for Rwanda as of 2002.

25. The Review Mission fully supported the UNDAF priorities (2002-2006) for UNDP interventions in Rwanda over the next five years, especially as these priorities recognize the areas in which UNDP showed its greatest strengths during the first CCF, notably governance and economic management for poverty alleviation. It also supported the UNDAF recommendation that UNDP play a strong facilitating upstream role in the area of HIV/AIDS in the framework of UNAIDS.

IV. Objectives, programme areas and expected results

A. Strategy

26. The second CCF has two strategic objectives: (a) the promotion and consolidation of good governance; and (b) economic management for poverty eradication within the context of Rwanda's transition from

emergency to development. The validity of this approach has been supported by the analysis carried out by the United Nations system in the Common Country Assessment (in 2000) and is reflected in the 2002-2006 UNDAF, and is congruent with the I-PRSP and PRSP (2000 and 2001).

27. Within the context of this overall objective, the period of the second CCF will be marked by (a) a clear shift from emergency responses to development-oriented initiatives, and (b) a shift to even greater emphasis on upstream policy support and advocacy/advisory initiatives, while a limited number of carefully chosen grass-roots interventions, whose main criterion is replicability, will continue or begin. In particular, this second CCF will place greater emphasis on much fewer, and well-focused, programmatic interventions, as well as clearer partnership and resource mobilization strategies. Support for capacity-building for policy and strategy formulation, and creative and realistic promotion of donor coordination wherein Government plays its proper role, will receive particular attention.

28. The second CCF will seek to achieve these overall objectives through interventions in three broad interlocking programme areas: (a) good governance, with particular emphasis on activities promoting societal strengthening and reconciliation and human rights, and administrative capacity-building and decentralization, with special focus on transparency and accountability; (b) economic management, with particular emphasis on pro-poor macro-economic policies, poverty eradication initiatives, and follow-up, as well as aid coordination and management; and (c) strategic support for HIV/AIDS prevention and control.

29. The above is encompassed by Rwanda's National Poverty Reduction Strategy, as well as the Rwanda Vision 2020 document (prepared in 2000), which include the following key elements: (a) good governance, including democratization, national reconciliation, political stability, security, and grass-roots participation in development and decision-making processes through the promotion of an all-inclusive economic system that allows effective empowerment of all socio-economic groups and creates an economy of stakeholders; (b) macro-economic stability through the creation of an enabling environment for private sector development and through the reduction of the role of the public sector in the economy while increasing government efficiency; and (c) elimination of human misery and poverty by raising productivity and the effective use of resources that the poor own and depend on, i.e., labour and land. The CCF approach is entirely consistent with the PRSP, finalized in 2001.

30. Within the three broad CCF programme areas, attention will be accorded to the crosscutting concerns of gender, the environment, and information and communications technologies (ICTs). Gender concerns will be mainstreamed through an institutionalized process of identifying strategic gender needs, and accommodating this in UNDP-supported activities, and by supporting feedback mechanisms, which indicate the gender impact of programme activities. Special attention will be paid to female victims of genocide. Rwanda's high population density in relation to the arable land area requires that particular attention be paid to environmental concerns in all rural development activities. Skills for incorporating environmental issues in the development process, and for environmental impact assessment, will be provided as appropriate. The Government has identified the increased use and mainstreaming of ICTs as a specific strategy, with the aim of making the country a service-sector-driven economy by 2020. A steering committee has been established in the Office of the President to guide the implementation of the recently developed ICT strategic plan.

B. Promotion and consolidation of good governance

31. Current governance structures are characterized by the following interrelated issues: (a) the transition from a heavily centralized system to a participatory decentralized system of governance; (b) the need for capacity strengthening for effective and efficient public and economic management; (c) the necessity to ensure effective and transparent functioning of national institutions, including Parliament; (d) the crucial role of the justice system in a post-genocide context; (e) the need to promote and sustain reconciliation among the people of Rwanda; and (f) the need to facilitate the development of a vibrant private sector.

32. The Government has adopted a broad two-pronged approach, which combines reform and capacity reinforcement of the system of justice with the promotion of decentralization, which will enhance national reconciliation through empowerment of the local population. It is planned that the district should be the most important local administrative unit and part of its strength derives from the support of elected Community Development Committees.

33. The 2002-2006 UNDAF includes several strategic goals for the promotion and support of good governance and justice in Rwanda, which provide the framework for UNDP interventions in this field. Further refinement of policies and strategies in the governance sector flow from the government workshop on progress in effective governance in early November 2001, followed by a Donor-Government Consultation on governance and poverty issues in Kigali in mid-November 2001. UNDP recognizes the importance of a broad approach to governance issues, which incorporates a wide variety of concepts, such as legislative reform, justice, gender, demobilization with durable solutions, among others.

Governance sub-goals

1. Institutional strengthening and reforms

34. To strengthen state institutions for efficiency, accountability and transparency in public service delivery, UNDP will primarily continue to assist the state institutions to review their mission and functions, build capacity for planning and policy formulation, improve coordination and separation of powers, improve management practices and information systems and promote transparency and accountability in public service delivery. At the same time UNDP will seek to improve the gender equity and equality of public service delivery through support of affirmative action initiatives. In the area of capacity-building, UNDP will provide support for the public service reform process, particularly the Human Resources Development Agency (HRDA) and the Rwandan Institute for Administration and Management (RIAM). These activities will be complemented by capacity development among NGOs and CSOs to build partnerships to lobby and monitor governmental management decisions. These will result in increased effective utilization of new oversight and management instruments, including budget monitoring and improved service delivery capacity.

2. Decentralization and democratization

35. UNDP will support effective decentralization, democratization and community development in two main areas. Under the first, policy and technical support will be provided to the electoral processes, as well as assistance to facilitate smooth collaboration between the central and local government institutions and units. Under the second, UNDP will strengthen the capacity of the government to support and coordinate community development initiatives and in the provision of training to newly elected leaders, particularly to the members of the Community Development Committees (CDCs). Progress will include an increased number of women elected to CDCs and participating in decision-making at district levels and a greater proportion of CDCs implementing best practices from the activities data base in identifying, planning and implementing local economic and social activities.

3. Support to the rule of law

36. Strengthening the judiciary, the rule of law, and national capacity to promote and protect human rights is a priority following the collapse of the legal system during the genocide. The first main objective under this goal is to strengthen the performance, fairness and rule of law in the justice system. Institutional and technical support will be provided to the implementation, monitoring and evaluation of the *gacaca* process, as well as to the classical court system, for the processing of genocide-related and other cases. This will be accompanied by support to the National Human Rights Commission (NHRC) and to civil society human rights organizations to monitor genocide-related prosecutions. Reduced numbers of irregularities in prosecutions and a decline in registered complaints of human rights abuses will be among the indicators of progress. Measures will also be taken to assist in increasing awareness about women's and children's rights and to eradicate gender-based violence. In addition, UNDP will support advocacy for the constitutional process and provide policy and institutional support to the National Legal and Constitutional Commission in the elaboration and drafting of a new constitution.

4. Reconciliation and peace building

37. To assist in the creation of an enabling environment for comprehensive and lasting national unity and reconciliation, UNDP will provide advisory and policy support to the National Unity and Reconciliation Commission (NURC) in providing leadership in the reconciliation process nationwide. This will be complemented by continuing support to the Conflict Management Centre at the National University of Rwanda. UNDP will also assist civil society initiatives to promote peace dialogue, and provide technical support to women and youth peace-building activities. Reduction in financial support for the government resettlement programme is a constraint on peace building. UNDP will continue its lead role in the Brookings initiative, which provides a framework for planning, resource mobilization and field-level implementation in the resettlement and reintegration of soldiers and ex-rebels into national society.

C. Economic management for poverty eradication

38. The 2002-2006 UNDAF identifies as one of its principal goals enhanced capacity for macro-economic management for economic development and poverty reduction. The overarching strategy for all programmes in this field is provided by the PRSP. Within this framework, the aim of UNDP would be threefold: (i) to provide policy support to harmonize national economic policies through the preparation of the PRSP and through strategic partnerships for its implementation; (ii) to develop resource mobilization strategies through development of coherent sector strategies consistent with poverty reduction objectives for sustainable development; and (iii) to establish dialogue between the Government and the donor community to identify funding modalities consistent with the priority areas and resource mobilization constraints at the internal and external levels, and enhance macro-economic and aid management and coordination capacity within the framework of the PRSP.

Economic management sub-goals

1. Policy formulation and monitoring

39. To promote pro-poor macro-economic policies that are supportive of PRSP, UNDP will continue to strengthen capacities of core ministries in policy formulation, development of sectoral strategies consistent with poverty reduction objectives set up at the national and international levels (IDGs and Millennium Development Goals), including advocacy for external debt relief. This will be complemented by strong support for the National Poverty Observatory and to the National Statistics Office, which will prepare clearer analyses of the poverty situation and provide feedback on the evolution of poverty indicators. Greater use will be made of the National Human Development Report (NHDR) as an advocacy and policy dialogue instrument. Indicators of success will include the amount and quality of poverty monitoring that has been conducted, as well as a report on MDGs and IDGs. The number and quality of sectoral programmes developed and relevant simulation models and observable impact on poverty reduction from the feedback provided by the Poverty Observatory constitute other indicators of success.

2. Aid management and coordination

40. UNDP will assist and strengthen national capacities in resource (internal and external) mobilization strategies to ensure strategic partnership in the implementation and financing of the PRSP. At the same time, the Ministry of Finance and Economic Planning and the Central Project and External Finance Bureau (CEPEX) will be provided with strategic and technical support for more effective aid management and coordination, while UNDP will at the same time proactively liaise with the donor community as a neutral facilitator. The systematic utilization of ICTs in all economic management institutions will be promoted, and human rights considerations, including the various elements of the right to development, will be integrated into economic management institutional practices. Success indicators will include the rate of application of new management tools and the increased effectiveness of aid coordination initiatives, the amount of financing mobilized with UNDP support for PRSP implementation, and the additional resources made available as a result of debt relief as well as

domestic resource mobilization by the Rwanda Revenue Authority. Other indicators will include the degree to which ICTs are used for tracking the management of development assistance.

D. HIV/AIDS

41. With a rising HIV prevalence rate, the HIV/AIDS pandemic represents a serious threat to Rwanda's social and economic development by increasing child mortality and depleting the country's human resource base.

42. The magnitude of the pandemic, affecting the most active segment of the working population, with its impact across all sectors of the economy has resulted in the Government placing HIV/AIDS at the centre of its agenda for development and poverty reduction. The 2002-2006 UNDAF identifies several strategic goals, whereas the response of the United Nations system to HIV/AIDS in Rwanda already covers a wide spectrum of areas, such as advocacy activities targeting high-risk groups and support to national institutions and initiatives (National AIDS Commission and the First Lady's Office, Great Lakes Initiatives against Aids -GLIA).

43. Given the multi-sectoral dimension of HIV/AIDS, UNDP jointly with concerned United Nations agencies will support the Government in the formulation of an HIV/AIDS national policy and a multi-sectoral framework for planning and resource mobilization. The mitigation of socio-economic impacts of HIV/AIDS at the community-based level, especially for vulnerable groups, namely women and children, will remain a priority of UNDP. Indicators will include the number of people voluntarily tested and counseled on HIV/AIDS, the number and rate of implementation of the health sector's HIV/AIDS policies and initiatives, the number and the quality of community-based initiatives for prevention and care for people infected and affected by HIV/AIDS.

IV. Management arrangements

Management of the country cooperation framework

44. During the emergency period that followed the genocide, UNDP, with the concurrence of the Government of Rwanda, frequently used the DEX modality. This was considered to be appropriate for two reasons. Firstly, the capacity of the Government to execute projects had been seriously undermined by the war and the genocide. Secondly, relatively large amounts of direct support for emergency programmes were being made available through the UNDP Trust Fund for Rwanda, and the priority was to ensure that delivery was effected as quickly as possible. With regard to the second CCF, however, both the Government and UNDP are in agreement that the institutional context has evolved and that there is now greater national capacity for the increasing use of the NEX modality. Particular emphasis will be placed on the associated accountability requirements. Additional capacity-building will be required. However, the choice between DEX and NEX will continue to be made on a pragmatic basis and, if the Government agrees that the capacities in a particular entity are not strong enough for the NEX modality to be applied, the DEX modality will be used.

45. National institutions and experts will be utilized when available and, where possible, national consulting firms will be involved in the design and execution of projects. To complement NEX and to ensure high quality interventions, expertise available within the UNDP group of funds and programmes, and from other United Nations agencies under sub-contracts will be drawn on. In addition, the sharing of relevant experience among developing countries will be encouraged through the modality of technical cooperation among developing countries (TCDC). Provision will also be made to facilitate the utilization of the expertise of non-resident Rwandans through the Transfer of Knowledge through Expatriate Nationals (TOKTEN) modality. It is also intended to build on the positive experience during the first CCF and to enhance the role of the United Nations Volunteers (UNV/UNISTAR) and the National Volunteer Scheme.

Programme management

46. Programme management under the second CCF will be guided by the principles of results-based management. The Strategic Results Framework (SRF) for Rwanda, which was developed in 2000, will be revised to reflect the enhanced focus and reorientation of the second CCF and the requisite output and outcome indicators will be duly developed. Programmes and project design will be consistent with the SRF and UNDAF goals. The Results Oriented Annual Report (ROAR) will be the reporting instrument on progress towards attaining expected results and outcomes. The results-oriented monitoring system will include management reports and project and programme reviews. Overall monitoring of results and impact will also be situated within the framework of the UNDAF monitoring process.

47. Policy guidance and oversight for overall performance will be vested in a CCF steering committee jointly led by the Government and UNDP and comprising the key stakeholders of the CCF, namely the concerned technical ministries and targeted national and international partners. The CCF will be subject to annual reviews and to one external review in 2004. At the individual programme and project level, implementation and oversight will be vested in project management committees and will be regularly monitored in tripartite reviews and evaluation missions as required for individual programmes and projects. Above all, project-level management will be held accountable for (a) the achievement of results on the basis of pre-specified indicators and (b) the optimum use of resources. In addition, the Country Office will be reorganized following the re-profiling exercise of August 2001 to reflect the orientation of the second CCF. On the basis of the collaborative mechanisms presented in the 2002-2006 UNDAF, significant joint United Nations-system programming and monitoring is expected during the second CCF.

Resource mobilization and partnership strategy

48. As noted above, following the genocide Rwanda benefited from a high level of non-core resources, which had been channelled through the UNDP Trust Fund for Rwanda. Many of the Trust Fund interventions were designed to respond to urgent priorities that had been identified by the Government and to meet specific emergency needs in the late 1990s. The second CCF now provides the policy framework for all UNDP core and non-core assistance during the next programming period. The Government has noted that core resources will be far from sufficient to meeting the needs of the different CCF programme areas, and a strong resource mobilization strategy will be required.

49. Within the framework of the CCF, there will be a two-pronged approach to resource mobilization and strategic partnerships. The first prong entails mobilizing United Nations system funds, and third-party resources, through the cost-sharing mechanism. When appropriate, these will be channelled through the UNDP Trust Fund (Development Fund) mechanism, which will be kept intact for this purpose, although direct project cost sharing is likely to increase in importance. UNDP core funding will also aim to function as seed money to leverage such non-core resources. Strategic partners who have provided contributions to the Government's emergency programmes under the Trust Fund will be invited to make the transition to development initiatives within the framework of the policies and strategies outlined by the Government in the PRSP and UNDP in the second CCF.

50. Under the second prong, UNDP will seek parallel financing arrangements in support of the objectives and activities identified under the second CCF. In addition, the Government, with UNDP support, will strengthen thematic and sectoral consultations to promote dialogue and coordination for implementation partnerships among donors, the Government of Rwanda and CSOs to facilitate the response to poverty reduction needs in accordance with CCF and the PRSP priorities and objectives. To enhance donor collaboration and resource flows to fund the CCF, implementation partnerships strategies will be developed through a combination of aid-delivery modalities (joint and parallel programming and joint monitoring) and aid types agreed upon by all partners – where agreement is based upon the extent to which modalities and types of aid are cost-effective, build local capacity, empower beneficiaries, and promote sustainable peace by addressing actual or potential development issues.

51. It should be stressed that the second CCF derives from and is fully embedded in the 2002-2006 UNDAF. Within this framework, collaboration between the participating organizations will be realized through joint and parallel programming, and joint monitoring of programme activities. This collaboration is further strengthened by the existence of the Common Country Assessment (undertaken in mid-2000 and to be kept updated), which provides a common data base for the United Nations system and, by its nature, facilitates coordination and joint monitoring. While the Government exercises its prerogatives in relations with donors in general, UNDP will continue to provide the necessary leadership and administrative support to the Resident Coordinator system in Rwanda.